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# NEC ACTION REPORT

National Economic Council, Inc., 7501 Empire State Bldg., New York 1, N. Y.

No. 6

## PALESTINE PARTITION SLOWED, MAY BE STOPPED

### NEC Letters Effective

With some 1600 men, women and children now dead of violence in Palestine since Nov. 29, the unwisdom of the UN partition recommendation is becoming better appreciated. NEC has been the only nation-wide organization to take a strong stand against partition from the beginning, and to warn of its dangers to U.S.A.

"If more American groups are not willing to take a stand on controversial questions," commented NEC President Merwin K. Hart, "well-organized minorities can commit this country to almost anything. They can commit us to something which, like partition, can involve us in another world war, and in addition can drive natural allies of the U.S.A. like the Arabs into the arms of Soviet Russia—our great enemy."

In Washington many high government officials and Congressional leaders now concede that partition was a colossal blunder.

If U.S.A. concedes to UN the right to order partition of any country, this could some day be urged as a precedent for a UN majority of small, left-wing countries, working with Soviet Russia, to ask partition of the U.S.A. Long term Communist planners proposed forming our Southern States into a separate "Negro Soviet Republic" affiliated with the USSR. This plan was explained in Economic Council Letter No. 186, and already has made a deep impression upon thinking men and women.

A man well known in American public life reported:

"Your three letters on 'Palestine' are superb both in the accuracy of their facts as well as in the accuracy of their predictions. . . . You have perhaps little idea of the effect they have had in changing public opinion—particularly in those very circles whose opinion carries weight. By bringing out the facts so courageously you have performed a great public service, the full value of which will be measured and appreciated in years to come."

It is an open secret that, to his great

credit, Sec. of Defense James W. Forrestal has seen the danger to the U.S. in pressing this vicious plan for partition, and has strongly opposed it. All true Americans will approve his attitude.

## HART SPEAKS ON NETWORK

Merwin K. Hart, NEC President, spoke over the network of the American Broadcasting System on Monday evening, Feb. 23. His subject: "Let's Not Subsidize European Socialism."

Excerpts: "If we could teach Europe what free enterprise has done for us—what it can do for them, we would be doing far more than the mere giving of goods and dollars. . . .

"It is unsafe to believe Soviet Russia is really against the Marshall Plan despite appearances and despite the propaganda. The Communists are for anything that weakens us as a free enterprise nation. . . .

"Why can't Europe learn the secret of how the United States has been able to achieve so much? Here come sixteen nations of Europe, all socialist in varying degrees, asking us to help them. If we had not had our private enterprise system all these years, we couldn't do it. . . .

"The whole project of aiding Europe should be placed in the hands of a commission, the chairman and a substantial majority of whom shall be business men with a record of high achievement in private enterprise. They should be men who believe in private enterprise and in the incentive system, and are convinced that recovery can only come through production. The chairman should be given Cabinet rank and serve directly under the President. Our purpose should be frankly to convert Europe back to private enterprise. . . .

"Let's not accept the Marshall Plan as is. Let's amend it to conform with what we have learned from our own experience. Let's not invest private enter-

## NEC OPPOSES BILL ON CO-OPS

NEC has taken a strong position against bill S. 2107, on cooperatives, introduced in the Senate by Senator Capper of Kansas, and has asked to appear before the Committee on Agriculture and Forestry, which is considering it.

The Capper bill would establish within the Dept. of Agriculture a "Division of Cooperatives," which would: (1) Do research and furnish advisory service to co-ops; (2) Assemble data for Co-ops; (3) Disseminate available information "for the use and benefit" of co-ops; (4) Help in organizing Co-ops.

Said Merwin K. Hart, NEC President: "There can, of course, be no objection to the right of producers or consumers to organize cooperatives for their own benefit. But it is another thing to see such organizations becoming so vast that, being tax-exempt, they enter into unequal competition with private business, which must pay taxes. If the federal government now establishes such a bureau it will be entering actively into the effort to destroy the taxpaying businesses which support it in the interests of a system that does not. If cooperatives supplant private business, we shall find that socialism has come in the back door."

### What You Can Do

If you oppose establishment of another government bureau, especially one that will work against American small business, write the Senate Committee on Agriculture and Forestry, also your Senators and Congressman.

terprise earnings in socialist schemes. We'll only throw money away. . . .

"Let's be a sympathetic and generous banker—on business-like terms—to the rest of a world that is willing to work and to open its doors to the ways of freedom."

Because of the heavy demand, the address has been printed in full and is available upon request at 5c each, 100 copies for \$2.50.

## NEC EXPOSED ALEX. BITTELMAN DECADE AGO

Alexander Bittelman, staunch Communist Party wheelhorse, has recently been arrested for deportation as an alien seeking to overthrow U.S. government by force.

Why did we wait all these years to deport him?

In Council Letter No. 48, dated April 1937, NEC wrote:

"In a booklet entitled 'The Communist Party in Action,' by Alex. Bittelman (Workers Library Publishers, 50 East 13th Street, New York City), the author says on page 20:

". . . we must guard against a current opportunist conception that the capitalist system will collapse by itself, under the very pressure of its own difficulties. . . . Lenin maintained, the only way in which we can make the situation for capitalism really hopeless is by defeating the efforts of the capitalist classes to find a way out of the crisis. . . ."

For eleven years, in spite of this plain warning, the Roosevelt and Truman Administrations have been permitting Bittelman to run amuck in the United States seeking to "defeat the efforts of the capitalist classes to find a way out of the crisis."

If these Administrations had been willing to pay closer attention to the plain truths told by NEC about Bittelman and others of his ilk, America as it faces the Communist peril would be stronger today. *It should deport not only Alex. Bittelman, but all the other "Bittelmans."*

### Do You Need a Speaker?

NEC has established a Speakers' Bureau, staffed by able, experienced men and women who thoroughly understand the economic and social issues now confronting America. They are available to service clubs, veterans' posts, women's organizations, church societies, high school and college groups, and similar gatherings. Please address your requests, at least one month before the date of your meeting, to: NEC Speakers Bureau, 7501 Empire State Bldg., New York 1, N. Y.

## Straws in the Wind . . .

Although branded "an adjunct of the Communist Party" by the Dept. of Justice, the School of Jewish Studies has recently reopened, claiming the support of prominent people. Among listed sponsors are: novelist Sholem Asch; pro-Red radio commentator and confessed thief William S. Gailmor; Ben Gold, Communist president of the Fur Workers Union; NYC City Councilman Stanley Isaacs (Republican); NYC City Magistrate Anna M. Krose; Prof. Dorothy Brewster, of Columbia University; Dr. Duane Robinson, of Hunter College (owned by NYC City); Dr. Lyman R. Bradley of New York University; Dr. John Tepfer of the Jewish Institute of Religion (of which Rabbi Stephen S. Wise is founder and president); and Alexander Bittelman, alien Communist recently arrested for deportation. . . . The school has close relations with the Communist "Jefferson School of Social Science" and has been described by the *NY Daily Worker* as "the country's only Jewish school with a Marxist approach."

NY Communists, organized in "goon squads," have been successful in forcing an anti-Communist comic book, *Is This Tomorrow?* off hundreds of news stands. The book, which pictures possible successful action for Communist control of the U.S.A. and its aftermath, is published by the Catechetical Guild Educational Society, of St. Paul, Minn., of which the Rev. Louis A. Gales is president. . . . The *NY Daily Worker* has bitterly attacked this effective comic book as "fascist." . . . Some 7,500 copies are reported to have been forced off news stands. In a recent letter to the *Daily Worker* a member of one of the "visitation committees" boasted how he and his men had forced the book off stands with the use of some "persuasion." . . . Father Gales declares no real harm has been done. As fast as the books are removed from one stand they are sent to another where they are in demand. So far Communist opposition has advertised *Is This Tomorrow?* and brought in floods of orders. It is reported that well over 1,000,000 have been printed.

If you wish extra copies of this Report we shall be glad to send them on request. Two copies free, 10 for 25c, 50 for \$1.

Lawyers in the New York offices of the Lumbermen's Mutual Casualty Co. of Chicago have been held by the National Labor Relations Board to be employees within the meaning of the National Labor Relations Act, hence eligible to join a union and bargain collectively. . . . When some of them sought to organize a union, the company contended they were not the kind of employees contemplated by the act, since they are officers of the court, holders of a public trust, have fiduciary duties and represent management. . . . The Board held otherwise. . . . Interestingly, a parallel is found in recent regulations governing lawyers in Communist-dominated Bulgaria. There, the new rules provide that a lawyer cannot practice unless he is a member of a "lawyers' collective." Those desiring to enter the practice of law must apply to be admitted to a collective upon vote of its general meeting. All pay goes to the "collective," which passes it along to the lawyer who earned it after deducting expenses plus 20% for the other members.

The *World Alliance News Letter*, published jointly by the Church Peace Union and the American Council of the World Alliance for International Friendship Through the Churches, continues to advocate collectivist measures in America and appeasement of the Soviet Union abroad. In its issue Vol. 28, No. 10, it supported the Marshall Plan with two qualifications. At home, "strict price control and rationing must be considered essential as a prime requisite." Abroad, "We must rely on the promise implicit in Secretary Marshall's statement at Harvard last June: 'Our policy is not directed against any country or doctrine. . . .'"

### Quotation of the Month:

"Property is the fruit of labor; property is desirable; it is a positive good in the world. That some should be rich shows that others may become rich, and hence is just encouragement to industry and enterprise.

"Let not him who is houseless pull down the house of another, but let him work diligently and build one for himself, thus by example assuring that his own shall be safe from violence when built."

—Abraham Lincoln